

Chapter 1011

Crude Oil Weekly Option

1011100. SCOPE OF CHAPTER

This chapter is limited in application to weekly put and call options on the Light Sweet Crude Oil Futures contract. In addition to the rules of this chapter, transactions in the Crude Oil Monday Weekly Option, the Crude Oil Wednesday Weekly Option, and the Crude Oil Friday Weekly Option contracts shall be subject to the general rules of the Exchange insofar as applicable.

1011101. OPTION CHARACTERISTICS

The number of weeks open for trading at a given time shall be determined by the Exchange.

1011101.A. Trading Schedule

The hours of trading for these contracts shall be determined by the Exchange.

1011101.B. Trading Unit

A Crude Oil weekly call option traded on the Exchange represents an option to assume a long position in the nearest to expiry Light Sweet Crude Oil Futures contract. If expiration occurs on or after the Light Sweet Crude Oil Monthly option contract and on or before the first nearby Light Sweet Crude Oil Futures expiration, the contract will be exercisable into second closest to expiry Light Sweet Crude Oil Futures contract.

A Crude Oil Weekly put option traded on the Exchange represents an option to assume a short position in the nearest to expiry Light Sweet Crude Oil Futures contract. If expiration occurs on or after the Light Sweet Crude Oil Monthly option contract and on or before the first nearby Light Sweet Crude Oil Futures expiration, the contract will be exercisable into second closest to expiry Light Sweet Crude Oil Futures contract.

1011101.C. Price Increments

Prices shall be quoted in dollars and cents per barrel and prices shall be in multiples of \$0.01 per barrel. The minimum price increment will be \$0.01. A cabinet trade may occur at a price of \$0.001 per barrel, or \$1.00 per contract.

1011101.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1011101.E. Termination of Trading

Crude Oil Monday Weekly Option

Options will expire at the close of trading on a Monday schedule. If such Monday is an Exchange holiday, the weekly option shall terminate on the first Business Day immediately following the Monday.

Crude Oil Wednesday Weekly Option

Options will expire at the close of trading on a Wednesday schedule. If such Wednesday is an Exchange holiday, the weekly option shall terminate on the first Business Day immediately following the Wednesday.

Crude Oil Friday Weekly Option

Options will expire at the close of trading on a Friday schedule.

If such Friday is an Exchange holiday, the Crude Oil Weekly Option shall terminate on the first Business Day immediately preceding the Friday.

1011101.F. Type Option

The option is an American-style option which can be exercised on any Business Day prior to and until expiration day.

1011102. EXERCISE PRICES AND CHARACTERISTICS

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

1011103. SPECIAL PRICE FLUCTUATION LIMITS

At the commencement of each trading day, the contract shall be subject to special fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits and Daily Price Limits Table in the Interpretations & Special Notices Section of Chapter 5.